

November 1, 2004

## QUOTE OF THE WEEK

*"The great thing about democracy is that it gives every voter a chance to do something stupid."*  
-- Art Spander, Sports columnist, baseball Hall of Fame

## BALLOT WATCH

### \*\*\*One Vote, Big Difference\*\*\*

The internet has given people an unprecedented ability to spread false information. One of the great examples of urban-myth-gone-mainstream is a list of important historical happenings that turned on a single vote. Most of the list is wrong: Cromwell did not gain control of England by one vote; Hitler did not become leader of the Nazi Party by one vote; the Selective Service was not saved by one vote only weeks before Pearl Harbor. That notwithstanding, my own staff has found some political issues that were decided by one vote and, as you read here only too often, many tax cases turn on one single vote of the Board of Equalization.

By one vote, Democrats imposed the unconstitutional Smog Impact Fee.

By one vote, the Legislature enacted language that Gray Davis later claimed allowed his Director of Finance to unilaterally triple the car tax.

By one vote, Congressional Democrats passed the Clinton Tax Increase, which probably cost them control of the House of Representatives for the first time in 42 years.

By one vote, the legislature adopted the "SRA Fees" in 2003, the first parcel tax approved by the legislature since 1916.

## UNDER THE DOME

### \*\*\*Seriously, Manure\*\*\*

As I have reviewed the list of commissions and boards recommended for deletion, retention or reorganization by the California Performance Review, I have discovered one that was not on any of those lists. In fact, a recent press release from the California Department of Food and Agriculture announced three vacancies on the Fertilizer Inspection Advisory Board. Apparently, we have so many commissions sprinkled

throughout state government that neither the Governor nor the Legislature can keep track of them all.

The Department says that the Fertilizer Inspection Advisory Board “makes recommendations to the CDFA Secretary on all matters pertaining to the fertilizer inspection and enforcement program, fertilizer research and education, the annual budget, necessary fees to provide adequate inspection services, and regulations required to accomplish the purposes of California fertilizing materials law.”

I will leave it to my readers to decide if this advisory board meets the standards of an essential board that needs to be maintained despite the efforts to streamline government. For more information on serving on the Fertilizer Inspection Advisory Board, go to: <http://www.cdfa.ca.gov/exec/pa/pressreleases/PressRelease.asp?PRnum=04-043>

## **TAX CORNER**

### **\*\*\*Is It Really Amnesty?\*\*\***

Another misnamed government program that affects everyone is about to get underway. It is called “amnesty” but it is really not amnesty. Between February 1st and March 31st of next year any taxpayer can report back taxes due and, in most cases, be eligible for relief of penalties-- though not principal or interest-- if taxes are paid under the amnesty law provisions. However, and here is the big gotcha, even if you do not take advantage of this program or if you did not know that you owed taxes, once the program ends penalties increase by 50% and the future statute of limitations on taxes will be extended to 10 years. A significant affect of this law is no business or taxpayer records can be thrown away unless they are more than 11 years old. (That is an estimate using 10 years for the new statue of limitations and one year for the appropriate filing period.)

One definition of amnesty is: “Amnesty (from the Greek amnestia, oblivion) is an act of grace by which the supreme power in a state restores those who may have been guilty of any offence against it to the position of innocent persons.” Clearly, this new law is not as much amnesty as it is a big increase in taxpayer penalties.

### **\*\*\*Forest Danger\*\*\***

According to the state Board of Equalization, harvesting on public lands is down more than 90 percent over the past 15 years. More than half of California's mills have closed and 15,000 forestry-related jobs have been lost in those same 15 years. Not only are our forests in greater danger of fires and disease because of overgrowth, the property tax on harvested trees is going down even while the overhead to collect this tax is going up. The disaster is upon us and there is less money to pay for the emergency expenses. A true tree lover would be encouraging a sustainable harvest of our state forests.

## **BOE AND LEGISLATIVE DATES**

**November 2, 2004** --- General Election.

**November 4, 2004** --- BoE meets in Sacramento.

**November 11, 2004** --- Veterans' Day.

**November 17, 2004** --- BoE meets in San Diego.

**November 30, 2004** --- Close of property tax assessment appeals filings in most California counties.

**December 6, 2004** --- Legislature Convenes/Swearing-In of Members.

## **NOTABLE DATES/ HISTORY**

**Clarification:** Last week's Date Section listed October 27, 1775 as the day the U.S. Navy was established. The Continental Congress established the Navy on October 13, 1775. In 1922 the New York Navy League began celebrating Navy Day on October 27<sup>th</sup>, Teddy Roosevelt's birthday, to recognize Naval Service. The October 13<sup>th</sup> date is intended as an internal activity for active forces, reserves, retirees and dependents.

**November 1, 1765** --- The Stamp Act went into effect in the British colonies.

**November 1, 1776** --- Mission San Juan Capistrano was founded in California.

**November 2, 1783** --- General Washington bade farewell to his army.

**November 2, 1824** --- Popular presidential vote first recorded, with Jackson beating John Quincy Adams.

**November 2, 1917** --- First U.S. soldiers were killed in combat in WW I.

**November 2, 1983** --- President Reagan signed a bill establishing Martin Luther King, Jr. day.

**November 3, 2003** --- The U.S. Congress approved an \$87 billion aid package for military operations and aid in Iraq and Afghanistan.

**November 4, 1845** --- First nationally observed uniform Election Day in U.S.

**November 4, 1854** --- Lighthouse was established on Alcatraz Island.

**November 4, 1924** --- California legalized pro boxing; it had been illegal since 1914.

**November 4, 1980** --- Ronald Reagan beat President Jimmy Carter by a landslide.

**November 5, 1872** --- Susan B. Anthony was fined \$100 for trying to vote for Ulysses S Grant.

**November 6, 1860** --- Abraham Lincoln was elected the 16th President.

**November 6, 1862** --- Direct telegraphic link was established between New York and San Francisco.

**November 6, 1984** --- President Reagan won re-election over Walter Mondale in a landslide, carrying 49 states.

**November 7, 1805** --- Lewis & Clark first sighted the Pacific Ocean.

**November 7, 1811** --- The Battle of Tippecanoe was waged, giving General William Henry Harrison a presidential slogan.

## **GENERAL TAX INFORMATION**

For answers to your general tax questions, call the Board of Equalization information center. Customer service representatives are available to help you from 8:00 a.m. to 5:00 p.m. Pacific time, Monday through Friday (except state holidays).

Toll-free number: 800-400-7115  
TDD service for the hearing impaired  
TDD phones: 800-735-2929  
Voice phones: 800-735-2922

To reach the Taxpayer Rights Advocate's office for assistance with any BOE issues, see <http://www.boe.ca.gov/tra/tra.htm>, or call toll-free 1-888-324-2798.

## **HOW TO CONTACT ME**

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